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June 6, 2017

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Notice of *Ex Parte* Presentation in CC Docket No. 16-363
Petition of AT&T Services, Inc. for Forbearance Under 47 U.S.C. §160(c) from Enforcement of Certain Rules for Switched Access Services and Toll Free Database Dip Charges**

Dear Ms. Dortch:

On June 2, 2017, South Dakota Network, LLC (SDN) met with Dr. Jay Schwarz, Wireline Advisor to Chairman Pai, to discuss AT&T's petition for forbearance in the above-referenced docket. Mark Shlanta, CEO and Nancy Johnson, VP Legal of SDN and Ben Dickens and the undersigned attended the meeting for SDN.

In the meeting, SDN discussed the comments and reply comments it filed on December 2, 2016 and December 19, 2016, respectively, in the proceeding. SDN urged the Commission to deny AT&T's petition for forbearance in connection with SDN's centralized equal access (CEA) service because it is not in the public interest. SDN stated that for carriers with low volumes of traffic SDN's tariffed CEA service continues to be an efficient and effective mechanism to reach rural local exchange carriers in South Dakota.

SDN also argued that AT&T's proposal is not necessary to address the issue AT&T identified namely, that certain CLECs engaged in access stimulation refuse to allow direct trunking from the IXC to the CLEC's end office. SDN urged the Commission to make clear that CLECs engaged in access stimulation cannot refuse to allow direct trunking from the IXC to the CLEC's end office or to accept other solutions that result in similar outcomes. SDN believes this is in line with the purpose of establishing it as a CEA provider, which was to provide equal access functions and to bring the benefit of equal access to rural areas with low volumes of traffic. SDN noted that in its experience, the volume of terminating minutes to carriers engaged in access stimulation greatly exceeds the volume of terminating minutes to all other carriers that are not engaged in access stimulation. This high volume of terminating minutes clearly exceed the 3 to 1 ratio of terminating to originating minutes established by the Commission to define access stimulation. In fact, at times SDN noted that it has seen ratios of 200 to 1 and even 350 to 1. These extraordinary traffic patterns enable SDN and IXCs to identify which CLECs are engaged in access stimulation and to provision services accordingly.

SDN argued that the Commission could find that in the case of traffic that terminates to an access stimulator, a CEA provider would be required to charge a switched access rate benchmarked to the rates of the price cap LEC with the lowest interstate switched access rates in the state. For traffic terminating to LECs that are not engaged in access stimulation, a CEA provider would continue to charge its traditional tariffed switched access rate. SDN believes this proposal is in line with the Commission's pricing rules for access stimulators. In addition, SDN believes it would be able to implement such a dual pricing scheme and it should not affect any other SDN rates, which are capped.

SDN also urged the Commission to reaffirm that CEA providers may provide access service pursuant to contract and that CEA providers are not precluded from providing non-CEA services via contract.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

/s/ Mary J. Sisak

cc: Jay Schwarz